

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
1050 SEVENTEENTH STREET, N.W.  
SUITE 301  
WASHINGTON, D.C.  
20036  
(202) 393-2266  
FAX (202) 393-2156  
E-MAIL alvordlaw@aol.com

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)



December 17, 2004

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

RECORDATION NO. 20796-C FILED

DEC 17 '04 3-29 PM

SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Assignment and Assumption Agreement, dated as of December 17, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Assignment previously filed with the Board under Recordation Number 20796-B.

The names and addresses of the parties to the enclosed document are:

Seller:	Babcock & Brown Rail Funding LLC c/o Babcock & Brown LP 230 Park Avenue New York, New York 10169
Buyer:	BBRM Title Holding SPC #2 LLC c/o Babcock & Brown LP 230 Park Avenue New York, New York 10169
Head Lessor:	Lloyds TSB Equipment Leasing (No. 5) Limited C/o Lloyds TSB Leasing 25 Gresham Street London EC2V 7HN England

Mr. Vernon A. Williams  
December 17, 2004  
Page 2

Head Lessee: North America Rail Leasing #2 LLC  
(successor by merger to North America  
Rail Leasing #1 LLC  
d/b/a Babcock & Brown Rail Leasing)  
230 Park Avenue  
New York, New York 10169

A description of the railroad equipment covered by the enclosed document  
is:

150 coal gondola cars: WEPX 2875 – WEPX 3024

A short summary of the document to appear in the index is:

Memorandum of Assignment and Assumption Agreement.

Also enclosed is a check in the amount of \$32.00 payable to the order of  
the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the  
undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm  
Enclosures

RECORDATION NO.

20796-5  
FILED

DEC 17 '04

3-29 PM EXECUTION  
VERSION

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS MEMORANDUM OF ASSIGNMENT AND AGREEMENT, dated as of this seventeenth day of December 2004, by and between Seller, Rail Funding LLC, a Delaware limited liability company (the "Seller"), SPC #2 LLC, a Delaware limited liability company (the "Buyer"), Leasing (No. 5) Limited, a limited liability company incorporated in Delaware (the "Head Lessor") and Wales (as assignee of BBRM Sub #1 LLC) (the "Head Lessee") and, together with the Seller, the Buyer and the Head Lessor, the "Parties"). Capitalized terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Assignment (as defined below).

STB  
COPY

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Parties have entered into that certain Assignment and Assumption Agreement dated as of December 17, 2004 (the "Assignment") covering the equipment listed on Schedule A hereto (the "Equipment") and, in respect of the Equipment, the Lease of the Equipment and the prior assignment of the Lease (all as described in (a) the Assignment and Assumption Agreement filed on August 31, 2004, and (b) the Head Lease (COMBI I) described in a Memorandum of Head Lease dated the date hereof to be filed concurrently herewith) (collectively, the "Lease Documents");


WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Assignment and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, by this instrument, the Seller transfers and assigns to the Buyer, the Buyer transfers and assigns to the Head Lessor and the Head Lessor assigns to the Head Lessee all of their respective rights and obligations under the Lease Documents, and each of the Parties hereto confirms and accepts such terms and conditions as set forth above, which are incorporated by reference as if fully set forth herein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this instrument has been duly executed by the Parties  
hereto as of the date first above written.

BABCOCK & BROWN RAIL FUNDING LLC, as  
Seller

By:   
Name: Bruce Carusi  
Title: Vice President


LLOYDS TSB EQUIPMENT LEASING (NO. 5)  
LIMITED, as Head Lessor

By: \_\_\_\_\_  
Name:  
Title:

NORTH AMERICA RAIL LEASING #2 LLC  
(d/b/a BABCOCK & BROWN RAIL LEASING),  
as Head Lessee

By:   
Name: Bruce Carusi  
Title: Vice President

BBRM TITLE HOLDING SPC #2 LLC, as Buyer

By:   
Name: Bruce Carusi  
Title: Vice President

MEMO OF A&A

IN WITNESS WHEREOF, this instrument has been duly executed by the Parties hereto as of the date first above written.

BABCOCK & BROWN RAIL FUNDING LLC, as  
Seller

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LLOYDS TSB EQUIPMENT LEASING (NO. 5)  
LIMITED, as Head Lessor

By:  \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: **A R FOAD**  
**Director**

NORTH AMERICA RAIL LEASING #2 LLC  
(d/b/a BABCOCK & BROWN RAIL LEASING),  
as Head Lessee

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BBRM TITLE HOLDING SPC #2 LLC, as Buyer

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

MEMO OF A&A

State of New York       )  
                                      )  
County of New York     )

On this, the 16<sup>th</sup> day of December, 2004, before me, a Notary Public in and for said County and State, personally appeared Bruce Carusi, a Vice President of Babcock & Brown Rail Funding LLC, who acknowledged himself to be a duly authorized officer of Babcock & Brown Rail Funding LLC, and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

In Witness Whereof, I have hereunto set my hand and official seal on the date above mentioned.

Name: Karen A. Houlihan  
Notary Public

**KAREN A. HOULIHAN**  
My Commission Expires: **Notary Public, State of New York**  
**No. 0TH06051904**  
**Qualified in New York County**  
Residing in: \_\_\_\_\_ **Commission Expires December 4, 2006**

# CHEESWRIGHTS

NOTARIES PUBLIC

10 Philpot Lane London EC3M 8BR  
Telephone: 020 7623 9477 (or) 07000 NOTARIES

Facsimile: 020 7623 5428  
E-mail: notary@cheeswrights.co.uk  
www.cheeswrights.co.uk  
DX 627/London City EC3

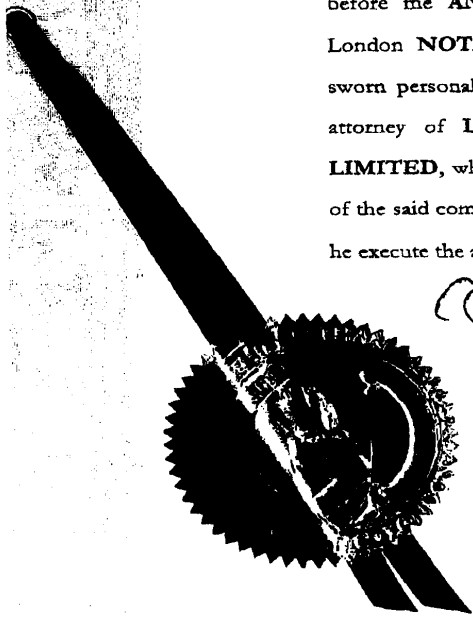
KINGDOM OF ENGLAND)

) s.s.

CITY OF LONDON )

On this sixteenth day of December in the year two thousand and four before me **ANDREW JONATHAN CLAUDET** of the City of London **NOTARY PUBLIC** by royal authority duly admitted and sworn personally came and appeared **ALLAN ROBERT FOAD**, an attorney of **LLOYDS TSB EQUIPMENT LEASING (NO.5) LIMITED**, who acknowledged himself to be a duly authorized officer of the said company, and that, as such officer, being authorized to do so, he execute the annexed instrument for the purposes therein contained.

*Andrew Jonathan Claudet*



N P Ready  
Ruth M Campbell J B Burgess E Gardiner  
A J Claudet I A Rogers

State of New York       )  
                                  )  
County of New York      )

On this, the 16<sup>th</sup> day of December, 2004, before me, a Notary Public in and for said County and State, personally appeared Bruce Carusi, a Vice President of North America Rail Leasing #2 LLC (d/b/a Babcock & Brown Rail Leasing), who acknowledged himself to be a duly authorized officer of North America Rail Leasing #2 LLC (d/b/a Babcock & Brown Rail Leasing), and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

In Witness Whereof, I have hereunto set my hand and official seal on the date above mentioned.

Name: Karen A. Houlihan  
Notary Public

My Commission Expires: KAREN A. HOULIHAN  
Notary Public, State of New York  
No. 0TH06051904  
Residing in: Qualified in New York County  
Commission Expires December 4, 2007 6

MEMO OF A&A

State of New York            )  
  )  
County of New York         )

On this, the 16<sup>th</sup> day of December, 2004, before me, a Notary Public in and for said County and State, personally appeared Bruce Carusi, a Vice President of BBRM Title Holding SPC #2 LLC, who acknowledged himself to be a duly authorized officer of BBRM Title Holding SPC #2 LLC, and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

In Witness Whereof, I have hereunto set my hand and official seal on the date above mentioned.

Name: *Karen A. Houlihan*  
Notary Public

My Commission Expires:             
Residing in:           

**KAREN A. HOULIHAN**  
**Notary Public, State of New York**  
**No. 01HO0051904**  
**Qualified in New York County**  
**Commission Expires December 4, 2006**

Schedule A  
(to Memorandum of Assignment and  
Assumption Agreement)

EQUIPMENT

<u>Lessee</u>	<u># Cars</u>	<u>Description</u>	<u>Reporting Marks</u>	<u>Casualty Marks</u>
Wisconsin Electric Power Company	150	4530 CF aluminum Coal Gondolas, AAR Car Type Code J311, 286,000 GRL, manufactured in 1997 by Thrall Car Manufacturing Company	WEPX 2875-3024, inclusive	None

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 12/17/04



Robert W. Alvord